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FEDERAL COMMUNICATIONS COMMISSION
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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of:	)	
	)	
VERILINK CORPORATION	)	
	)	
Petition for Rulemaking to Amend the Commission's Part 68 Rules to Authorize Regulated Carriers to Provide Certain Line Build Out Functionality as a Part of Regulated Network Equipment on Customer Premises	)	RM-8158

REPLY COMMENTS OF
INTEGRATED NETWORK CORPORATION

Integrated Network Corporation ("INC"), by its undersigned attorneys, hereby submits these reply comments in support of Verilink Corporation's ("Verilink") petition for rulemaking ("Petition") proposing to amend Part 68 of the Commission's Rules to permit carriers to provide line build out ("LBO") functionality in the transmission path of 1.544 Mbps ("DS-1") services as a component of regulated network equipment located on customer premises. Verilink specifically proposed that Section 68.308(h)(2)(e) be amended to delete subsections (ii) and (iii).[1/]

As detailed in its comments, INC believes that the rule amendments proposed by Verilink, if adopted, will reduce customer dissatisfaction associated with the installation of customer premises equipment ("CPE"), facilitate implementation of the ANSI DS-1 Metallic

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1/ Section 68.308(h)(2) identifies three signal attenuation settings for NCTE -- Option A, B, and C with a value of 0 db, 7.5 db and 15 db -- that can be selected at the time of installation. Verilink's proposed amendment would delete reference to Options B and C leaving Option A (at 0 db) the only LBO attenuation setting to be selected.

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Interface Standard, and eliminate equipment redundancies. Further, INC believes that permitting carrier-provision of LBO in the DS-1 transmission path will encourage the deployment of advanced digital transmission technologies and the modernization of the U.S. telecommunications network infrastructure. Based on these benefits, INC's comments concluded that Verilink's Petition makes a compelling case for permitting carrier-provided LBO and modifying Section 68.308(h)(2)(e). With the exception of the Independent Data Communications Manufacturers Association ("IDCMA"), the Commenters concur with INC's conclusion that grant of Verilink's Petition will simplify customer installation procedures and advance the Commission's policy of encouraging the deployment of advanced technologies. Accordingly, INC urges the Commission to grant Verilink's Petition and take the first step in updating the Part 68 rules to accommodate current end user needs and technological advancements.

I. SUBSTANTIAL SUPPORT EXISTS FOR AMENDING RULE 68.308(h)(2)(e) TO ACCOMMODATE USER NEEDS AND TECHNOLOGICAL REALITIES

The comments demonstrate that broad base support exists among major carriers and equipment vendors to modify Rule 68.308(h)(2)(e) as proposed by Verilink. With the exception of IDCMA, the Commenters uniformly agreed that customer service problems arise from the carrier-customer joint engineering process and that end user selection of the wrong signal attenuation LBO option is a source of network harm that results in diminished transmission quality (*i.e.*, crosstalk).[2/] These Commenters also concurred with INC that the

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[2/] *See* Comments of Larus Corporation at 1; Comments of PairGain Technologies, Inc. at 1; Comments of Ameritech at 2; Comments of NYNEX at 2; Comments of Bell Atlantic at 2.

"joint engineering" process -- that involves end user customers, carriers and sometimes manufacturers -- to determine the appropriate LBO setting is a source of confusion for end user customers. Moreover, this "joint engineering" process requires substantial expense and results in service delays, inefficiency and general customer dissatisfaction that may create an artificial disincentive to use DS1 service. All of the Commenters, except for IDCMA, agree with INC that end user customer confusion and dissatisfaction would be eliminated if LBO for the transmission path of a DS1 is provided as a component of regulated network interface connectors and that competition in the CPE market would not be adversely affected by such a change.[3/] Consistent with this view, Southwestern Bell Telephone Company argues that:

> Verilink's proposal would allow Southwestern Bell and other carriers to more efficiently ensure that the signal received by the customer would have the best transmission quality, at no incremental cost to the customer and without any adverse impact on CPE competition;[4/]

and BellSouth Telecommunications, Inc. argues that:

> Both the end user customer and the network provider would realize operational and maintenance efficiencies under the proposed rule change. Network provision of LBO would eliminate the need for joint engineering . . . Moreover, network provision of LBO would avoid the situation where an end user customer disrupts network services by inadvertently changing the LBO value to the incorrect setting during CPE replacement or maintenance activities.[5/]

[3/] *See* Comments of Larus Corporation at 1; Comments of PairGain Technologies, Inc. at 1; Comments of Ameritech at 2; Comments of NYNEX at 2; Comments of Bell Atlantic at 2.

[4/] Southwestern Bell Telephone Company at 1.

[5/] Comments of BellSouth Telecommunications, Inc. at 3.

Aside from eliminating customer inconvenience, expense and minimizing a source of potential network harm, modification of the Part 68 rules as proposed by Verilink will have the added benefit of encouraging the deployment of advanced digital transmission technologies and the modernization of the telecommunications infrastructure. INC concurs with numerous other Commenters that the proposed rule changes would be consistent with the ANSI DS1 interface standard because it would eliminate the requirement for LBO functionality in CPE.[6/]

II. IDCMA OFFERS NO COMPELLING ARGUMENTS TO SUPPORT ITS OPPOSITION TO VERILINK'S PETITION FOR RULEMAKING

In contrast to the sound public policy reasons advanced by INC and other Commenters -- including carriers and vendors -- in support of Verilink's proposed rule modifications, IDCMA offers no rational arguments for maintaining the status quo. IDCMA's opposition to Verilink's proposal is evidently based on some general and unsubstantiated belief that the proposed modifications will adversely impact competition in the CPE industry. IDCMA's opposition is comprised of a series of conclusory statements that Verilink's arguments in favor of a rule change are unsubstantiated without any credible explanation of its conclusions.

Notably, in response to Verilink's central public policy rationale for proposing to modify Part 68 of the Commission's Rules -- customer confusion, expense and potential

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[6/] The ANSI standard is designed to mitigate problems arising in the process of connecting CPE to DS1 service facilities by establishing a single pulse template and a uniform signal and from NCTE to the interface. *See* Comments of NYNEX Telephone Companies at 3; Comments of Larus Corporation at 2; Comments of Bell Atlantic at 2; Comments of Southwestern Bell Telephone Companies at 4. Comments of INC at 6.

network harm -- IDCMA simply states without much credible substantiation that the confusion and expense associated with LBO under the current rules [and attested to by several carriers and vendors] is a "gross overstatement".[7/] Aside from its summary statement that "its members have not experienced comparable problems with respect to the provision of NCTE or LBO setting,"[8/] IDCMA offers no evidence to support its conclusion that the confusion, expense and dissatisfaction associated with the joint engineering process is "grossly overstated". IDCMA further concludes that the "only joint activity necessary is for the carrier to tell the customer which of the three settings to be used."[9/] As detailed in Verilink's Petition and attested to by other Commenters, the "joint engineering" process is just not that simple. Contrary to IDCMA's suggestion, manufacturers routinely provide end user customers with instructions on selecting the appropriate LBO setting. Nevertheless, it is apparent from real world experience that end user customers are often not sufficiently knowledgeable about the operations of a DS1 transmission path to select the appropriate LBO setting.

Further, in its attempt to minimize the merit of Verilink's Petition, IDCMA simply ignores the impact of an incorrect LBO setting on the network. The fact is, one incorrect LBO setting may have repercussions for the network that require additional engineering of other users' systems beyond just "flipping" the LBO switch to the correct setting. In light of the numerous comments attesting to customer confusion, administrative expense, inefficiency and the real potential for network harm and the broad support for the rule change, INC

7/ *See* Opposition of IDCMA at 7.

8/ *Id.* at 8

9/ *Id.*

strongly believes that the Commission must be provided with specific compelling public policy reasons, rather than unsubstantiated conclusory statements of disagreement, to justify denial of Verilink's Petition. INC submits that IDCMA's failure to provide substantive public policy reasons for maintaining the status quo underscores the lack of merit in its opposition. Accordingly, INC urges the Commission to grant Verilink's Petition and initiate a rulemaking proceeding.

Further, in its search for credible arguments in opposition to the proposed rule change, IDCMA misconstrues Verilink's proposal as it relates to the voluntary industry consensus embodied in ANSI standard T1.403.[10/] Contrary to IDCMA's suggestion that adoption of Verilink's proposal would be tantamount to allowing ANSI standards to define Commission policy, INC submits that Verilink's proposal appropriately suggests to the Commission that the proposed rule change would harmonize the Commission's rules with industry-developed standards and advance its policy goal of encouraging the deployment of advanced technologies without adversely affecting competition in the CPE industry. INC concurs with Verilink that where the Commission's public interest policies are served, the Commission should attempt to harmonize its rules with accepted industry-accepted standards.

[10/] ANSI T1.403 refers to the American National Standards Institute, Standard for Telecommunications -- Carrier to Customer Installation -- DS1 Metallic Interface.

III. CONCLUSION

For the reasons discussed herein, INC fervently believes that Verilink's Petition makes a compelling case for amending of Part 68 rules to permit carrier provision of LBO functionality in the DS1 transmission path as a part of regulated network equipment located on customer premises. Accordingly, Verilink urges the Commission to grant Verilink's Petition for Rulemaking and expeditiously issue a notice of proposed rulemaking.

Respectfully submitted,

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